

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF INGHAM

Timothy Corr, Individually
and derivatively on behalf of Trombe, LLC,
and
Trombe, LLC, Individually
and derivatively on behalf of
Frandonson Properties, LP,
and
Derivatively on behalf of Corr Commercial
Real Estate, Inc.,

Plaintiffs,

v

Patrick Corr, Michael Corr, Francis Corr,
Jointly and Severally,

Defendants

and

Trombe, LLC, Frandonson Properties, LP,
and Corr Commercial Real Estate, Inc.,

Nominal Defendants.

Case No. 16-67-CB

**ORDER DENYING MOTION
FOR RECONSIDERATION**

At a session of said Court held in the City of Lansing,
Ingham County, Michigan, on: May 18, 2016

**PRESENT: Honorable Joyce Draganchuk
Circuit Judge**

Defendants filed a motion for reconsideration of the Court's April 19, 2016 order that grants in part and denies in part the Defendants' motion for summary disposition.

Pursuant to MCR 2.119(F)(3), a party is entitled to reconsideration or rehearing if palpable error is shown by which the Court and the parties have been misled.

Defendants state in their motion as follows: “It is respectfully submitted that it was palpable error for this Court to rule on whether or not Trombe is entitled to bring a derivative action. The proper question for this Court was whether or not individual, Timothy Corr, is entitled to bring a derivative action.” (Bold type in original omitted)

The Court finds no such palpable error in the ruling. The Court in fact ruled on both issues which were presented in the motion for summary disposition and in the response to the motion.

In an attempt at better clarity, the Court will succinctly re-state the ruling here: Timothy Corr has brought a derivative action on behalf of Trombe. He may not do that because any disputes about how Trombe is governed must go to arbitration per the Trombe Operating Agreement.

Trombe, LLC, has brought a derivative action on behalf of Frandorson Properties, LP, and Corr Commercial Real Estate, Inc. Trombe may bring such a derivative action in the name of Frandorson Properties, LP and Corr Commercial Real Estate, Inc. because (1) Trombe is a shareholder in Frandorson Properties and Corr Commercial Real Estate, Inc., (2) Frandorson Properties and Corr Commercial Real Estate, Inc. are not bound by the Trombe Operating Agreement, and (3) there is no authority for the position that a corporate shareholder may not bring a derivative suit in the name of the entity that the corporate shareholder owns.

With regard to point number (3) above, the Court simply disagrees with Defendants that the law cited in their brief stands for the proposition that Trombe must

have a controlling interest in Frandorson Properties, LP and Corr Commercial Real Estate, Inc. before Trombe may bring an action in the name of Frandorson Properties, LP and Corr Commercial Real Estate, Inc. alleging that the actions of those in control are illegal, fraudulent, or willfully unfair and oppressive.

No palpable error has been shown.

Defendants' motion for rehearing and reconsideration is **DENIED**.

IT IS SO ORDERED.

/s/

Hon. Joyce Draganchuk (P39417)
Circuit Judge

PROOF OF SERVICE

I hereby certify that I served a copy of the above Order Denying Motion for Reconsideration upon the attorneys/parties of record by placing same in sealed envelopes addressed to each and depositing them for mailing with the United States Mail at Lansing, Michigan, on May 18, 2016.

/s/

Michael G. Lewycky
Law Clerk/Court Officer